

Alameda County Economic Forecast

Alameda and Contra Costa Counties define the Oakland Metropolitan Statistical Area (MSA) that is frequently used to report economic activity. The region currently has a population of 2.5 million residents. Total employment as of May 2003 stood at 1.04 million wage and salary workers. The creation of jobs turned negative in 2002, falling 1.2 percent after advancing one percent in 2001.

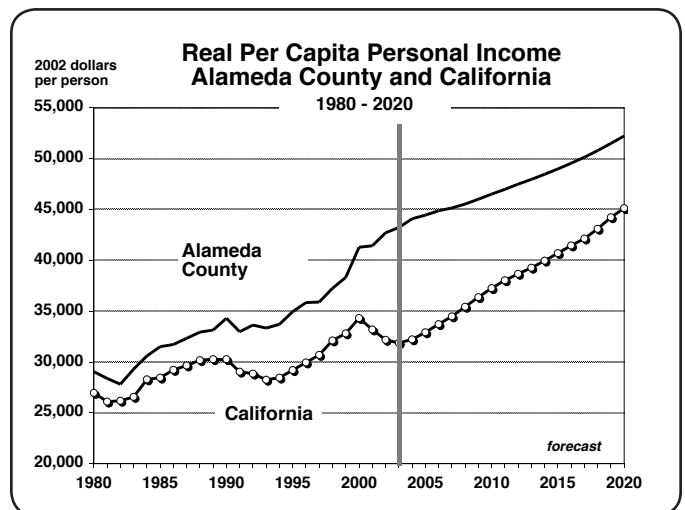
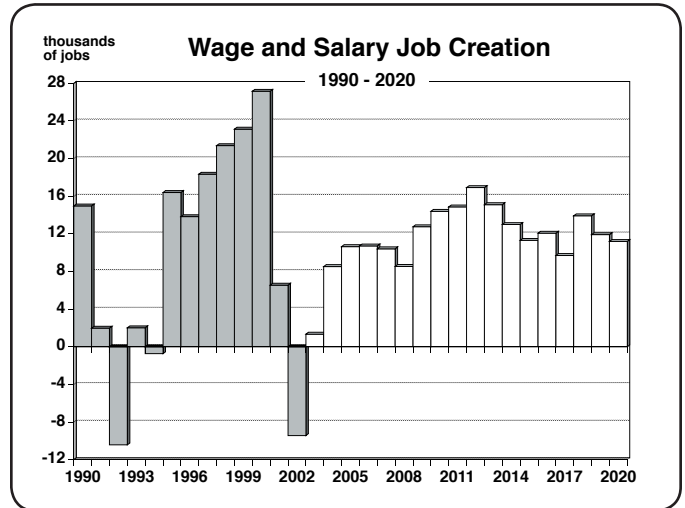
The County of Alameda dominates the MSA with 61 percent of the population, and 68 percent of the wage and salary jobs. The unemployment rate as of May 2003 was 6.2 percent, up sharply from the 2.8 percent recorded in early 2001.

Dublin and Livermore are the fastest growing cities in the county. Population growth is quite tame elsewhere, especially in Berkeley and Alameda. The population of Alameda County was 1.5 million, as of January 2003.

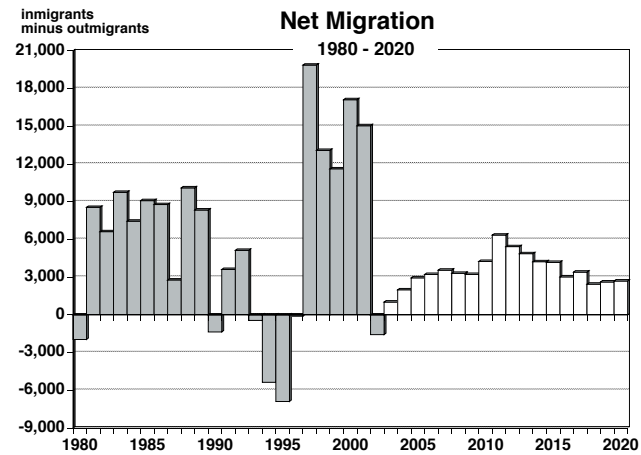
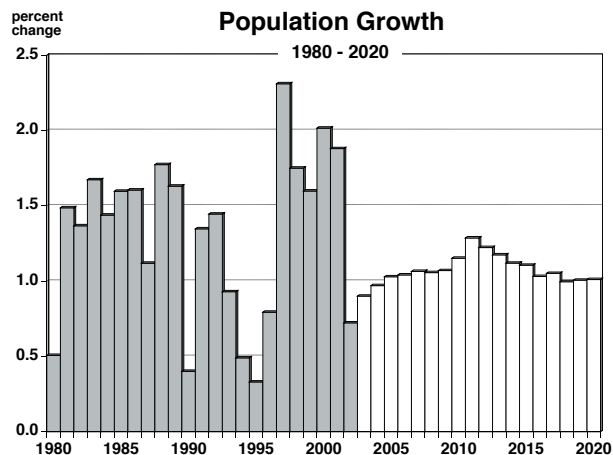
New housing production in Alameda County picked up in 2002, but the rate of new building is still inadequate for the growth of population. Increased residential growth in the future is tenuous, because land-use constraints will limit the production of housing. Furthermore, affordability of housing has become a critical issue in both Alameda and Contra Costa Counties. The general outlook for the production of housing calls for approximately 3,800 to 4,000 units per year. The median home selling price in the county was \$452,100 in 2002. Home prices are forecast to rise an average of 3.0 percent per year, adjusted for inflation.

Forecast Highlights

- Only very modest job growth is forecast for 2003. In 2004, non-farm employment growth rises to 1.2 percent, and 1.5 percent in 2005. The compound rate of job growth averages 1.4 percent between 2003 and 2008. This compares to 3.1 percent average annual growth recorded over the 1995-2000 Internet boom period.
- Real per capita incomes rise an average of 1.4 percent per year over the next 5 years in Alameda County. Between 2010 and 2020, real per capita income grows at an average 1.2 percent rate. Income growth is limited by the slower job growth in the county over the entire forecast horizon.
- Real retail sales rise an average of 2.0 percent per year between 2003 and 2008. The average salary per worker increases 1.3 percent per year, adjusted for inflation.



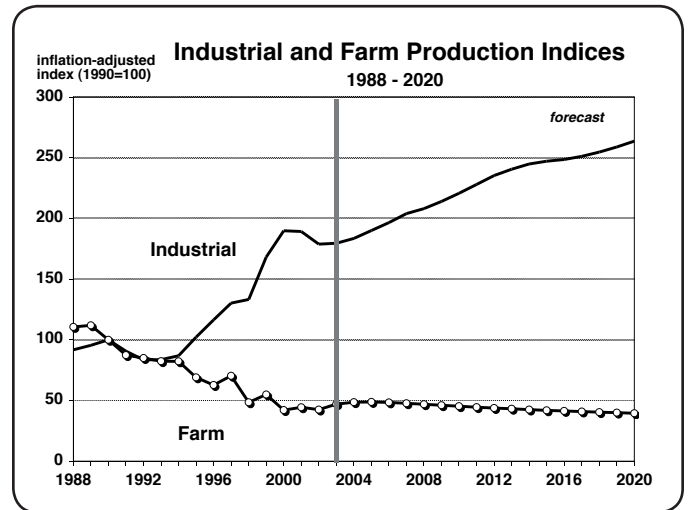
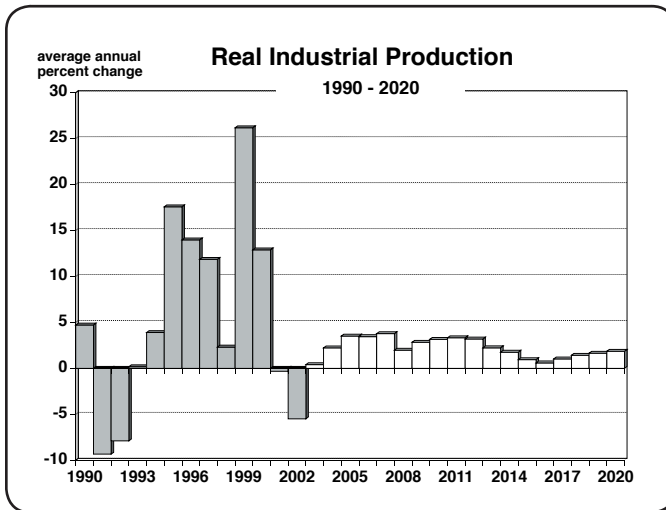
- Population growth is forecast to slow to 1.2 percent growth over the next 5 years. The increment to population from net migration into Alameda County will increase over the forecast period. Net migration occurs because the local economy will move gradually towards full employment, and new job opportunities in the county must attract non-resident workers to fill them.
- The services sector will remain the engine of growth in Alameda County. Manufacturing will continue to consolidate. Financial activities will increase the demand for jobs, and more employment in education will be needed to accommodate an increase in the school age population.



Alameda County Economic Forecast

1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	1,335,100	-6,886	1,035	489.8	2,950	\$8.9	\$36.6	\$34,948	\$44.0	\$19
1996	1,345,700	-96	1,055	492.9	3,898	\$9.5	\$38.8	\$35,848	\$40.9	\$22
1997	1,376,800	19,874	1,019	495.6	6,500	\$10.2	\$41.1	\$35,894	\$47.4	\$24
1998	1,400,900	13,090	1,101	498.9	5,897	\$10.7	\$44.7	\$37,238	\$33.8	\$25
1999	1,423,300	11,626	1,123	504.4	4,512	\$11.9	\$48.7	\$38,318	\$39.9	\$31
2000	1,452,000	17,121	1,176	522.4	4,208	\$13.9	\$56.0	\$41,287	\$31.9	\$35
2001	1,479,300	15,051	1,189	527.1	3,135	\$13.7	\$60.3	\$41,430	\$35.5	\$35
2002	1,490,000	-1,565	1,227	530.1	3,527	\$13.2	\$63.6	\$42,705	\$34.5	\$33
2003	1,503,421	1,031	1,232	530.5	3,521	\$13.6	\$66.6	\$43,225	\$39.2	\$33
2004	1,518,011	2,002	1,234	534.4	3,717	\$14.4	\$70.5	\$44,084	\$41.6	\$34
2005	1,533,636	2,955	1,243	538.4	4,186	\$15.2	\$73.8	\$44,436	\$42.9	\$35
2006	1,549,614	3,222	1,255	542.7	4,312	\$15.9	\$77.4	\$44,874	\$43.7	\$37
2007	1,566,121	3,565	1,269	547.2	4,191	\$16.6	\$80.7	\$45,141	\$44.2	\$38
2008	1,582,678	3,311	1,285	551.5	4,164	\$17.2	\$84.4	\$45,524	\$44.6	\$39
2009	1,599,616	3,225	1,303	555.7	4,290	\$18.1	\$88.5	\$46,012	\$45.0	\$40
2010	1,618,047	4,258	1,322	559.9	4,372	\$18.9	\$93.0	\$46,509	\$45.4	\$41
2011	1,638,872	6,354	1,345	564.2	4,508	\$19.9	\$97.9	\$46,978	\$46.0	\$43
2012	1,658,920	5,433	1,369	568.5	4,565	\$20.8	\$103.0	\$47,486	\$46.5	\$44
2013	1,678,415	4,875	1,392	572.8	4,429	\$21.7	\$108.4	\$47,963	\$47.1	\$45
2014	1,697,206	4,235	1,413	577.0	4,273	\$22.4	\$113.8	\$48,462	\$47.7	\$46
2015	1,715,974	4,184	1,433	581.2	4,233	\$23.3	\$119.5	\$48,984	\$48.4	\$46
2016	1,733,668	3,032	1,452	585.4	4,186	\$24.3	\$125.5	\$49,553	\$49.1	\$46
2017	1,751,905	3,407	1,471	589.6	4,223	\$25.3	\$132.1	\$50,133	\$49.9	\$47
2018	1,769,366	2,449	1,491	593.8	4,186	\$26.5	\$139.0	\$50,788	\$50.7	\$47
2019	1,787,175	2,623	1,510	598.1	4,194	\$27.7	\$146.3	\$51,492	\$51.5	\$48
2020	1,805,242	2,701	1,529	602.3	4,237	\$28.9	\$153.8	\$52,229	\$52.3	\$49



Total Wage & Salary (000)	Farm (000)	Mining & Construction (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----								
607.0	1.2	25.8	81.5	38.0	138.7	26.2	170.9	124.7
620.8	1.1	28.3	88.7	38.7	139.9	26.2	175.2	122.8
639.1	1.0	30.0	94.1	40.5	143.6	26.6	181.0	122.3
660.5	1.0	32.8	95.8	42.4	150.1	27.3	187.9	123.3
683.6	0.9	36.6	93.2	43.4	158.5	28.5	196.6	125.8
710.8	0.8	39.4	97.8	43.4	161.4	29.4	210.2	128.4
717.4	0.9	41.9	95.6	43.3	163.9	29.0	213.6	129.2
707.9	0.9	40.4	85.6	41.6	164.8	29.2	212.9	132.5
709.3	0.9	39.9	84.8	41.7	165.6	29.5	214.3	132.7
717.8	0.8	40.1	85.3	41.8	166.4	29.6	220.3	133.7
728.4	0.8	40.7	85.4	41.8	167.8	29.9	227.2	134.8
739.2	0.8	41.7	84.8	42.0	168.8	30.5	234.7	136.0
749.6	0.8	42.7	84.0	42.1	169.3	31.1	242.1	137.5
758.1	0.8	43.5	83.1	42.3	170.2	31.9	247.2	139.1
770.9	0.7	44.2	82.1	42.5	172.4	32.6	255.6	140.8
785.3	0.7	44.8	81.1	42.8	175.6	33.4	264.5	142.5
800.2	0.7	45.6	80.1	43.1	179.6	34.3	272.6	144.2
817.1	0.7	46.4	79.5	43.4	183.7	35.2	282.2	146.0
832.2	0.7	46.7	79.1	43.7	188.5	36.1	289.5	147.7
845.2	0.7	46.8	79.0	43.5	192.8	36.9	296.1	149.5
856.5	0.7	46.8	78.9	43.4	195.4	37.5	302.6	151.3
868.6	0.7	46.7	78.8	43.2	198.8	38.2	309.2	153.1
878.3	0.7	46.8	78.8	43.5	200.9	38.8	314.0	154.9
892.2	0.7	46.8	78.6	43.1	203.6	39.5	323.4	156.7
904.1	0.7	46.9	78.4	42.9	206.1	40.1	330.5	158.5
915.3	0.6	47.0	78.1	42.4	209.6	40.8	336.5	160.4

